

Most shorted ahead of earnings

A review of how short sellers are positioning themselves ahead of earnings announcements in the coming week, plus names identified as at risk of experiencing a short squeeze.

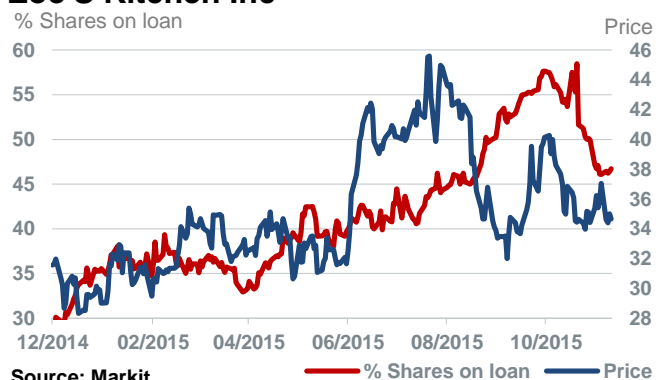
- Shorts sellers' orders on Zoe's Kitchen begin to get delivered as stock falls by a quarter
- US retailers **continue** to feel the pain inflicted by fast fashion and changing tastes
- Shorts in Penumbra being squeezed as the stock shoots up over 20% today on earnings

North America

Name	Industry	Ticker	Value on loan (\$m)	% Shares Outstanding On Loan	1 Month % Change
Zoe'S Kitchen Inc	Restaurants	ZOES	20/11/2015	46.7	11%
Abercrombie & Fitch Co	Apparel Retail	ANF	21/11/2015	26.0	-5%
Stage Stores Inc	Apparel Retail	SSI	20/11/2015	19.9	10%
Geospace Technologies Corp	Oil & Gas Equipment & Services	GEOS	19/11/2015	18.3	-8%
Hibbett Sports Inc	Specialty Stores	HIBB	21/11/2015	16.7	20%
Fresh Market Inc	Food Retail	TFM	20/11/2015	14.6	-14%
Buckle Inc	Apparel Retail	BKE	20/11/2015	14.0	-2%
Jinkosolar Hldg Adr Rep 4 Ord	Semiconductors	JKS	20/11/2015	13.1	-10%
Childrens Place Inc	Apparel Retail	PLCE	21/11/2015	11.2	-1%
Alcobra Ltd	Pharmaceuticals	ADHD	18/11/2015	10.1	-7%
Dhx Media Ltd	Movies & Entertainment	DHX.B	17/11/2015	9.8	12%
Splunk Inc	Application Software	SPLK	20/11/2015	9.4	-13%
Ja Solar Holdings Adr Rep 5 Ord	Semiconductors	JASO	18/11/2015	8.9	-22%
Redknee Solutions Inc	Application Software	RKN	20/11/2015	7.9	-11%
M/A-Com Technology Solutions Holdin	Semiconductors	MTSI	18/11/2015	7.6	6%
Urban Outfitters Inc	Apparel Retail	URBN	17/11/2015	7.4	-13%
Keung Green Mountain Inc	Packaged Foods & Meats	GMCR	19/11/2015	7.1	-9%
Gap Inc	Apparel Retail	GPS	20/11/2015	7.1	19%
First Majestic Silver Corp	Silver	FR	17/11/2015	7.0	2%
Foot Locker Inc	Apparel Retail	FL	21/11/2015	7.0	-18%

US apparel and food retailers feature predominately in this week's most shorted ahead of earnings. However, **retaining** the pole position is Zoe's Kitchen, with 46.7% of shares outstanding on loan.

Zoe'S Kitchen Inc



Short sellers look to have taken some profits off the table, covering 20% of positions in Zoe's. Short interest has declined from all-time highs of 57% while the stock has slid some 24% after peaking in July 2015.

Abercrombie & Fitch Co



Second most shorted ahead of earnings is Abercrombie & Fitch with 26% of shares outstanding on loan. Short interest remains at elevated levels as US retailers continue to struggle against fast fashion competitors and changing consumer tastes. Short sellers have had to hold their ground in the last three months though as shares rallied 28%.

Stage Stores Inc



17.3% of shares of department retailer Stage Stores were outstanding on loan on August

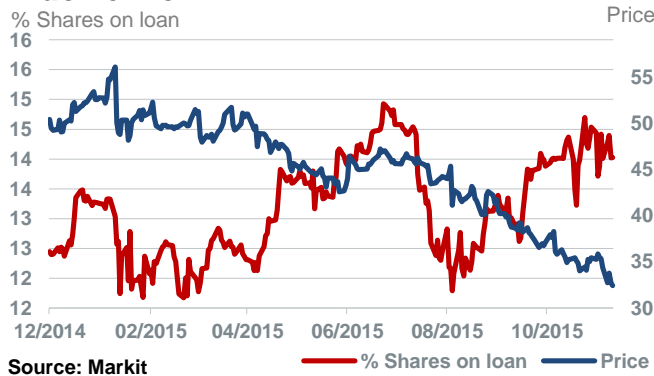
20th when the company announced weaker than expected results and significant store closures. This proved to be a big payday for shorts as shares fell 30% the next day. Short interest has subsequently increased to 20% while shares in the company have continued to hover around the same levels.

Hibbett Sports Inc



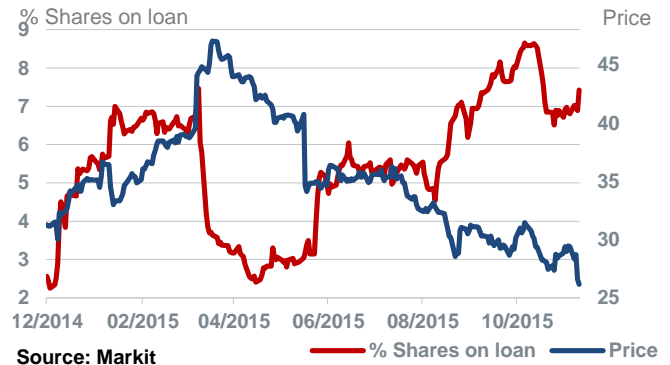
Hibbett Sports joins other US retailers in the top twenty most shorted, which includes Buckle, Urban Outfitters and Gap (below) as well as Children’s Place and Footlocker. Also featuring are food retailers Fresh Market and Keurig Green Mountain.

Buckle Inc



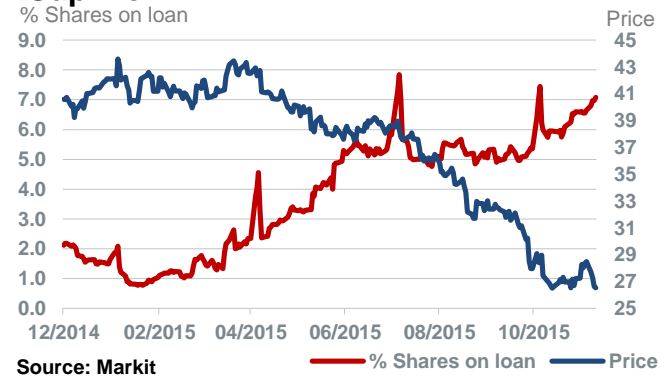
Fashion retailer Buckle has seen its shares continue to fall, declining by 25% in the last three months, while resurgent short interest has risen to 14% of shares outstanding on loan.

Urban Outfitters Inc



Urban Outfitters and Gap have both seen shares come under pressure in the last six months as short sellers increased their positions to above 7% of shares outstanding on loan each. Urban Outfitters stock fell 24% in the past six months while Gap has shed 31%.

Gap Inc

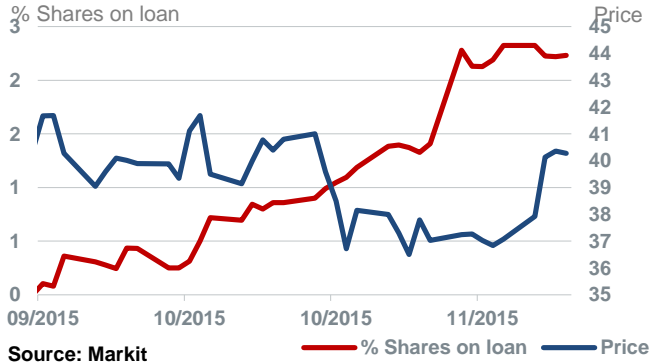


Short squeeze

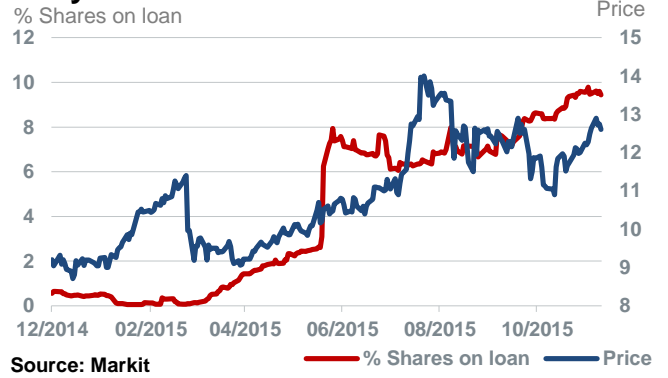
Penumbra has been flagged as a potential squeeze by the Short Squeeze* model since November 10th 2015. The company announced its earnings on November 12th and beat analyst estimates by \$0.18.

Almost all shorts are being squeezed as the stock shot upwards over 20%. The average duration of trades is 14 days, indicating short term shorts were entering the names to bet on the earnings event.

Penumbra Inc



Ablynx Nv

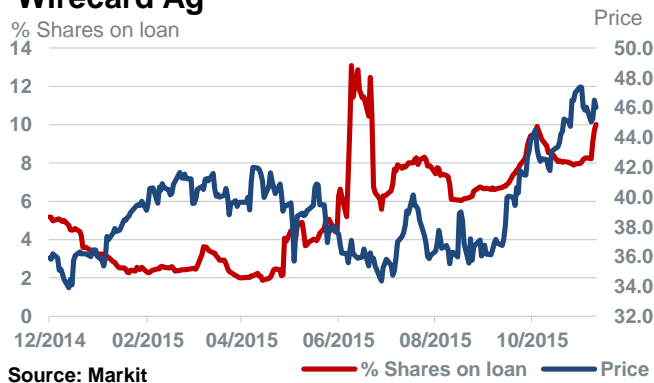


Europe

Name	Industry	Ticker	Earnings Date	% Shares Outstanding On Loan	1 Month % Change
Wirecard Ag	Data Processing & Outsourced	WDI	19/11/2015	10.0	19%
Ablynx Nv	Biotechnology	ABLX	19/11/2015	9.4	8%
Electrocomponents Plc	Technology Distributors	ECM	20/11/2015	8.9	-5%
Abengoa Sa	Construction & Engineering	ABG	17/11/2015	6.5	-10%
Grand City Properties Sa	Diversified Real Estate Activities	GYC	19/11/2015	5.3	9%
Mota Engil Sgpps Sa	Construction & Engineering	EGL	20/11/2015	3.9	9%
Soitec Sa	Semiconductors	SOI	19/11/2015	3.9	-2%
Sixt Se	Trucking	SIX2	20/11/2015	2.7	-23%
Blinx Plc	Internet Software & Services	BLNX	18/11/2015	2.5	-7%
Sonova Holding Ag	Health Care Equipment	SOON	17/11/2015	2.4	34%

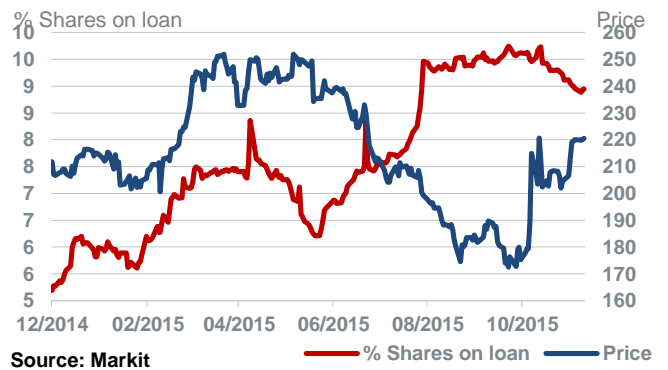
Most shorted ahead of earnings in Europe is German electronic payment solutions company Wirecard. Shares outstanding on loan have risen to 10%, almost doubling in the last year while the stock has surged 27% in the last three months.

Wirecard Ag



Second most shorted is Belgium based Ablynx with 9.4% of shares outstanding on loan. The company develops and researches nano-bodies for therapies and applications against serious and life threatening diseases.

Electrocomponents Plc



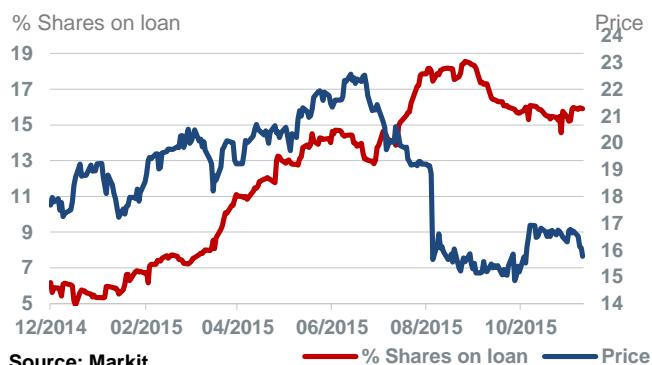
Short sellers have begun to cover in Oxford headquartered Electrocomponents as shares rallied in recent weeks in the build-up to earnings. Shares outstanding on loan currently stand at 8.9%.

Apac

Name	Industry	Ticker	Earnings Date	% Shares Outstanding On Loan	1 Month % Change
Orica Ltd	Commodity Chemicals	ORI	19/11/2015	15.9	0%
Oci Co Ltd	Diversified Chemicals	010060	17/11/2015	9.3	-1%
Hotel Shilla Co Ltd	Specialty Stores	008770	17/11/2015	9.0	11%
Samsung Heavy Industries Co Ltd	Construction Machinery & Heavy	010140	17/11/2015	8.6	2%
Hyundai Heavy Industries Co Ltd	Construction Machinery & Heavy	009540	17/11/2015	6.4	-3%
Kingsoft Corp Ltd	Home Entertainment Software	3888	18/11/2015	6.2	40%
Doosan Infracore Co Ltd	Industrial Machinery	042670	17/11/2015	6.1	14%
Daewoo Shipbuilding & Marine Engine	Construction Machinery & Heavy	042660	17/11/2015	5.8	1%
Australian Agricultural Company Ltd	Packaged Foods & Meats	AAC	20/11/2015	5.7	24%

Most short sold in Apac is Orica with 15.9% of shares outstanding on loan. The Australian based company supplies commercial explosives to mining and infrastructure projects. Shares have fallen by a fifth year to date as commodity markets remain depressed globally.

Orica Ltd



Second most shorted in Apac is Korean chemical products manufacturer Oci with 9.3% of shares outstanding on loan. The firm is exposed to energy markets and has a large exposure to China. Shares have fallen 15% in the last three months.

Oci Co Ltd



All three Korean shipbuilders also see material levels of short interest ahead of earnings as world trade levels continue to decline amid a glut in supply of cargo ships and cheaper fuel costs.

Short squeeze

Research Signal's Short Squeeze model* identifies companies highly likely to suffer a squeeze under current trading conditions. One such company currently identified is bedding retailer Mattress Firm.

*To receive more information on **Securities Finance, Research Signals, Exchange Traded Products, Dividend Forecasting** or our Short Squeeze model please **contact us**

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